

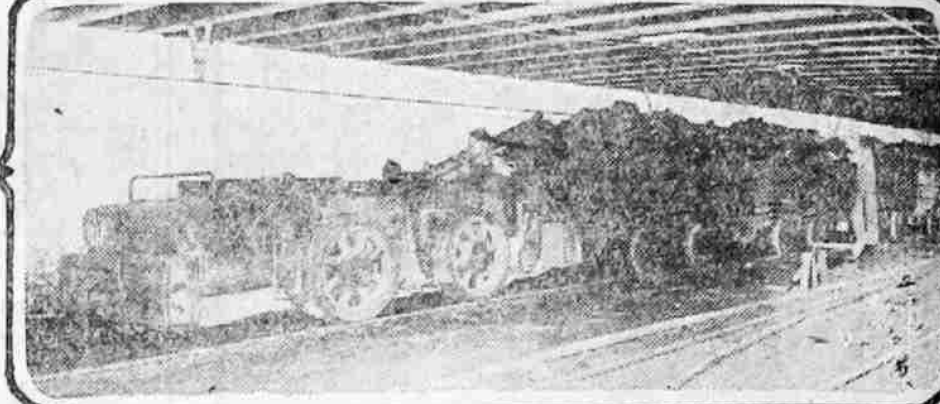
Miners' Demands Impose Tax of Billion Dollars per Year Upon American People



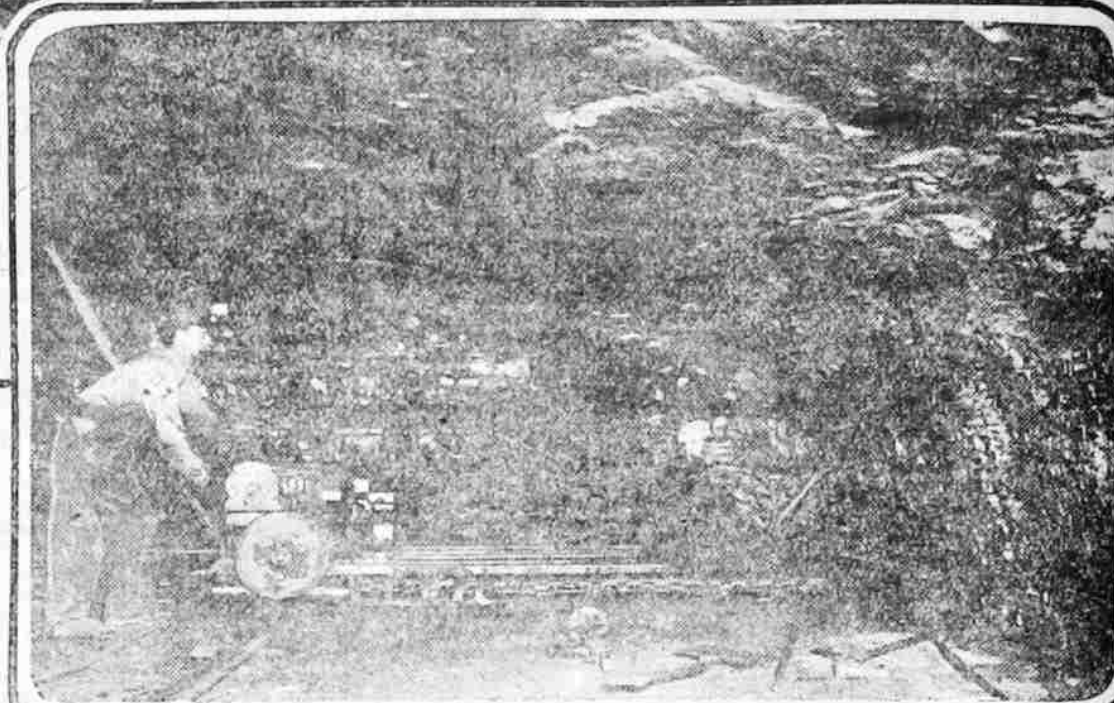
Miners, under present wage scale can earn from \$200 to \$400 per month.



Miners' demands will double cost of producing this coal.



A loaded "trip" approaching shaft bottom.



These cutters, running their machine an eight hour day on the present scale, earn from \$300 to \$400 per month.



Five dollars a day, under present scale, for picking out slate which the miner has left in the coal.



At the shaft bottom.

A TAX of one billion dollars per year will be levied upon the people of the United States if the increased wage demands adopted recently by the United Mine Workers of America are met by the bituminous operators, in their effort to avert the threatened nation-wide soft coal strike scheduled for November 1. That there is no way by which the long suffering public can escape this additional assessment, unless the miners can be induced to keep their wartime agreement with the government, is the consensus of opinion among those who have been attending the inquiry which the Sub-committee of the Senate has been holding in connection with the bituminous coal situation.

Testimony introduced at this inquiry showed definitely that during the first six months of this year the operators in the Pittsburgh District have been earning average profits at the rate of only three per cent per year upon their invested capital. These operators, whose financial condition is representative of the entire bituminous industry, told Senator Frelinghuysen's Committee very frankly that there were only two alternatives left to them if the miners insisted upon a wage increase that would double the cost of bituminous coal production. One was to close their mines—the other, to let the consumer pay the additional cost. Neither alternative, they agreed, would be satisfactory to any one.

All told there are 600,000 miners engaged in bituminous production. Of this number 400,000 work in unionized districts.

To meet the demands of these 400,000 organized men, the 110,000,000 people who make up the population of this country will be asked to raise the billion a year increase that was determined upon by the miners at the Fourth Biennial Convention of the United Mine Workers of America, held recently in Cleveland.

The miners, who are demanding an \$8.00 a day wage for six hours, 60 per cent increase on all tonnage, yardage and dead work prices, as well as time and a half for overtime, have flatly asserted that they will tie up the bituminous coal industry of the entire country on November 1, if their demands are not met by the operators at that time. Those in Washington who have analyzed the coal situation, say that in taking this stand the miners are breaking faith with the government. For the agreement which both the operators and miners made with the Fuel Administration during the first year of the war, provided that the present contract of the miners be extended "during the continuation of the war and not to exceed two years from April 1, 1918."

The operators have interpreted the clause "during the continuation of the war" to mean until the Peace Treaty with Germany is officially accepted and signed and have maintained their wage scale according to the agreement made with the Fuel Administration. They assert also that if the miners really believe that war conditions terminated with the signing of the armistice, the demand for increased wages would have been made shortly thereafter. The question of increasing the wages provided for in this agreement was considered and turned down last year by the Fuel Administration.

Two of the miners' demands which should be thoroughly understood by the public because of their effect on the entire problem of coal production, make possible the threat of a coal famine, at least every two years.

One of these demands reads as follows:

"That all contracts in the bituminous field shall be declared as having automatically expired November 1, 1919, and at that no sectional settlement shall be allowed and new contracts must run concurrently for a period of two years in all bituminous districts under our jurisdiction."

Up to the present time all contracts between the operators and miners have been so arranged as to expire in different districts at different dates in the spring and summer months rather than in November, so that in event of there being a disagreement and a strike, the mines would not all be shut down at one time nor would strikes occur when mine operation was absolutely essential to public welfare. The

hour day they allege that at some of the mines a portion of the mining population is frequently left unemployed for days at a stretch.

The operators challenge this attitude of the miners and predict that if granted it will be followed up next year with a demand for still shorter hours. They assert further, that with coal production in this country this year already a hundred million tons behind that of last year, a coal famine will be inevitable this winter, if the six-hour day and five-day week demands are granted. That increased production this year is an absolute necessity is conceded by all who have followed the Senate Sub-Committee's inquiry into the soft coal situation. It has been testified to at this hearing that not only the United States faces a coal famine, due to car shortage, and labor trouble, but that the entire world is short of fuel. This latter fact was testified to by a representative of the United States Shipping Board, who stated that we would not only have to supply our own needs this year, but send upwards of thirty million tons of coal abroad to help meet the menacing shortages which now exist in France, Italy and other European countries.

One needs little imagination to picture what will happen in the United States this winter, if the United Mine Workers of America make good their threat to call a strike of the bituminous miners on November 1. For coal is one of the necessities of everyday life. Without it, homes, apartment houses, hotels and other dwelling places cannot be heated; factories and mills cannot be operated, nor public utilities be made to function.

Owing to the lack of storage facilities there is scarcely a city or town in the United States which would not suffer from the cold, if a nation-wide strike in the bituminous field was called this winter and extended over a period of weeks. It is true that some communities convenient to the districts which are not unionized and where mining operations might not cease, would suffer little inconvenience. But as a nation-wide strike would produce a curtailment of between twenty-five millions and

WHAT THE MINERS DEMAND

The final draft of the miners' wage demands presented to the Fourth Biennial Convention of the United Mine Workers of America at Cleveland, includes \$8.00 a day for six hours; 60 per cent increase on all tonnage, yardage and dead work prices; time and a half for overtime, which would net \$12.00 to the man working eight hours; abolishment of double shift work; elimination of the automatic penalty clause, and establishment of weekly paydays.

The more important of their demands may be summarized as follows:

ONE.—A 60 per cent increase to be applicable to all classifications of day labor and to all tonnage, yardage and dead work rates throughout the central competitive field.

TWO.—All wage agreements to be based on a six-hour work day, from bank to bank, five days per week.

THREE.—All day labor to be paid time and a half for overtime and double time for all work done on Sundays and legal holidays.

FOUR.—That all contracts shall be declared as having automatically expired November 1, 1919, and at that no sectional settlement shall be allowed and new contracts must run concurrently for a period of two years in all bituminous districts under our jurisdiction.

FIVE.—That in event a satisfactory wage agreement is not secured for the central competitive field before November 1, 1919, to replace the one now in effect, that the international officials be authorized to and are hereby instructed to call a general strike of all bituminous miners and mine workers throughout the United States, the same to become effective November 1, 1919.

miners have taken the stand apparently, however, that a strike at the beginning of winter would be more effective than in April, because it would produce immediate discomfort and suffering upon the part of the public.

The other demand of the miners that is generally conceded to accentuate rather than decrease the danger of a coal famine this winter, concerns the six-hour work day and the five-day work week. It reads:

"We recommend that this convention demand

bank" clause means that the average miner will work only about five hours per day, as in most mines it takes him on an average of half an hour from the time he enters the mine mouth until he actually starts to work, and a similar period from the time he stops work until he leaves the mine.

The miners take the stand that the "six-hour day" and "five-day week," are necessary in order to assure regular work to all the men in the various mining districts. With the eight-

thirty million tons a month, out of a normal monthly production of from forty million to forty-two million tons, it can be seen how far reaching the effects would be.

New England would be especially hard hit as neither its industrial nor domestic consumers have more than two-thirds of the coal they need. It is estimated that a nation-wide strike would result in the shutting down of most of the mills and factories in the New England States within a couple of weeks. This condition would hold true in virtually all thickly populated districts and the larger cities. Public utilities in all parts of the country have made an effort to prepare for a possible coal famine this year, but as their coal consumption is great, and their storage facilities comparatively small, even they would be forced to close down, it is believed, if coal production were to cease for more than a few weeks. This would mean that traction companies and lighting companies in all parts of the country, would be put practically out of business, with resultant discomfort to the public at large.

At the headquarters of the National Coal Association in Washington, it was stated recently that every effort was being made to increase production. It was frankly admitted there, however, that if the miners insisted upon their increased wage demands being granted, the increased cost of production would have to be borne by the consumer as the present cost of coal at the mine mouths could not be maintained.

"The increased cost of producing coal which the miners' demands would entail will aggregate about a billion dollars a year," said Mr. J. D. A. Morrow, Vice-President of the organization. "Reports from the Pittsburgh District, which is typical of the industry as a whole, show that the average cost of production per ton in 1918, was \$2.06. The average price that was realized per ton during the same year, and that includes shipments on contracts and everything, was \$2.48, showing an average gross margin in cents per ton of 42 cents, out of which bond interest and excess profits taxes had to come. If the whole 42 cents per ton had been clear, it would have yielded an average return on the capital invested of only 6.5 per cent for that year. This year there will be no such profit. The reports show that for the six months ending June 30, 1919, the average production cost was \$2.05 per ton and the average price realized per ton only \$2.24. In a word, there was an average profit in cents per ton, of 19 cents, and an average return on the capital invested of just 2.9 per cent for a very hazardous business, with all the risks of mine fires, explosions, rock falls, squeezes, etc."

"Prices at the mine mouth have declined since the signing of the armistice and have been lower this year than they were last year under government control and profits have shrunk to the minimum. If the miners succeed in forcing a doubling of the cost of production, however, the consumers must pay the bill. The industry itself is down to rock bottom now."